Guidelines

The Small Business Loan Guarantee Program helps lenders make loans to borrowers who cannot qualify for conventional financing. It gives businesses a chance to build good working relationships with financial institutions.

What kinds of borrowers are eligible?

Most small businesses are eligible to participate in the program including corporations, partnerships and sole proprietorships. It must be a small business with no more than 750 employees.

What can proceeds be used for?

For any business purpose, including but not limited to start-up costs, working capital, business procurement, franchise fees, equipment and inventory. Funds can be used for real estate purposes related to construction, renovation or tenant improvements of an eligible place of business.

What type of lenders?

Any insured depository institution, insured credit union or community development financial institution as defined in Section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994.

How to apply?

You can contact the Financial Development Corporation listed in this brochure. If you are working with your lender and need help, direct the lender to a Financial Development Corporation.

Small Business Financial Development Corporations

Northern California

Southern California Region

California Capital

2000 - O Street, Suite 250 Sacramento, CA 95811 (916) 442-1729 Fax: (916) 442-7852

www.cacapital.org

SAFE-BIDCO

1377 Corporate Center Pkwy., Suite A Santa Rosa, CA 95407 (707) 577-8621 or (800) 273-8637

Fax: (707) 577-7348 www.safe-bidco.com

San Francisco Bay Region

Nor-Cal

300 Frank H Ogawa Plaza Suite 208 Oakland CA 94612 (510) 452-1171

> Fax: (510) 452-4405 www.nor-calfdc.org

Central Coast Region

California Coastal

221 Main Street, Suite 301 Salinas, CA 93901 (831) 424-1099

> Fax: (831) 424-1094 www.calcoastal.org

Central California Region

Val

7035 North Fruit Avenue Fresno, CA 93711 (559) 438-9680 Fax: (559) 438-9690

www.vsbdc.com

Hancock

4022 West Olympic Boulevard Los Angeles, CA 90019 (213) 382-4300 Fax: (213) 382-4732

www.hsbfdc.org

Pacific Coast 3255 Wilshire Boulevard, Suite 1501 Los Angeles, CA 90010 (213) 739-2999

Fax: (213) 739-0639 www.pcrcorp.org

San Fernando Valley

5121 Van Nuys Boulevard, Third Floor Van Nuys, CA 91403 (818) 205-1770 Fax: (818) 205-1785

www.sfvfdc.org

Inland Empire

516 North Lemon Avenue Ontario, CA 91764 (909) 391-6787 Fax: (909) 391-6765 www.iefdc.org

Orange County

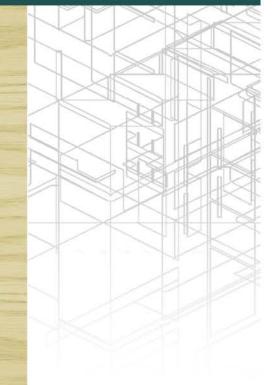
1913 East Seventeenth Street, Suite 210 Santa Ana, CA 92705 (714) 571-1900 Fax: (714) 571-1905 www.sbfdoc.com

California Southern

600 B Street, Suite 2450 San Diego, CA 92101 (619) 232-7771 Fax: (619) 232-6743 www.casouth.com

980 9th Street, Suite 2450, Sacramento, CA 95814 **ph** 916.323.5440 **fx** 916.323.5440

Loan Guarantees to Promote Small Business



California Small Business Loan Guarantee Program



State of California
Business, Transportation and
Housing Agency
980 9th Street, Suite 2450
Sacramento, CA 95814
(916) 323-5400
www.bth.ca.gov

Small Business Loan Guarantee Program

PROGRAM	CALIFORNIA SMALL BUSINESS LOAN
	GUARANTEE PROGRAM
PURPOSE	To encourage banks to make small business loans
	that otherwise would not be made. Special emphasis
	is placed on the creation and retention of jobs.
USE OF FUNDS	Working capital
	Equipment purchases
	Inventory
	Contract financing
	Business expansion
	Lines of credit
	Real estate
FINANCING	Banks will direct loan to borrower. The Financial
METHOD	Development Corporation will issue state guarantee
	up to 80% of the loan.
QUALIFICATIONS	Proceeds must be used for small businesses located
	in the State of California. Borrower must show
	repayment ability
MAXIMUM	\$1,000,000 for each borrower.
GUARANTEE	
AMOUNT	
MATURITY	Maximum of 7 years.
INTEREST RATE	Market rate as negotiated by lender and borrower.
COLLATERAL	Available business and personal assets (machinery,
	equipment, accounts receivable, inventory and real
	property).
FEES	• 2% of the guaranteed portion of the loan
	• \$250 processing fee

The California Small Business Loan Guarantee Program has a successful 40 year history. It has guaranteed over 30,000 loans for lending institutions to help small businesses.

The California Small Business Loan Guarantee Program enables small businesses to obtain credit when it cannot otherwise qualify for a loan. The program provides a lender with necessary security in the form of guarantee.

The California Small Business
Loan Guarantee Program is
administered by the California
Business, Transportation and
Housing Agency. To obtain more
information on this program
please contact the nearest
Financial Development
Corporation listed within this
brochure.